EXHIBIT B

Geden Holdings Limited
and Its Subsidiaries

Consolidated Financial Statements
As at and for the Year Ended
31 December 2014
With Independent Auditor's Report

14 August 2015

This report includes 2 pages of independent auditor's report and 41 pages of consolidated financial statements together with their explanatory notes.

Geden Holdings Limited and Its Subsidiaries

Table of Contents

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
Kavacık Rüzgarlı Bahçe Mah.
Kavak Sok. No: 29
Beykoz 34805 İstanbul

Telephone +90 (216) 681 90 00
Fax +90 (216) 681 90 90
Internet www.kpmg.com.tr

Independent Auditor's Report

To the Board of Directors of Geden Holdings Limited

We have audited the accompanying consolidated statement of financial statements of Geden Holdings Limited (the "Company") and its subsidiaries (together the "Group") which comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flow for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2014, and of its consolidated financial performance and of its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2(c) in the consolidated financial statements which describes that the Group incurred a net loss of USD 219,790 thousands during the year ended 31 December 2014 (2013: USD 429,992 thousands), and as of that date, the Group has a total accumulated loss of USD 219,021 thousands (31 December 2013: Retained earnings amounted to USD 769 thousands) and the Group's current liabilities exceeded its current assets by USD 392,287 thousands (31 December 2013: USD 475,820 thousands). The accompanying consolidated financial statements are prepared assuming that the Group will continue as a going concern. These conditions, along with other matters as set forth in Note 2(c), indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Akis Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.
A member of KPMG International Cooperative

Serkan Ercin,
Partner
14 August 2015
İstanbul, Turkey

Geden Holdings Limited and its Subsidiaries
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2014

(Currency: In thousands of US Dollars ("USD"))

	Note	2014	2013
Revenue	*5*	133,832	211,086
Cost of services	*6*	(131,823)	(211,903)
Gross profit/ (loss)		**2,009**	**(817)**
Other income	*7*	56,162	5,529
Administrative expenses	*9*	(5,748)	(11,650)
Impairment losses on vessels, net	*11*	(49,084)	(83,136)
Other expenses	*8*	(159,381)	(262,503)
Results from operating activities		**(156,042)**	**(352,577)**
Finance income	*10*	569	140
Finance costs	*10*	(64,317)	(77,496)
Net finance costs		**(63,748)**	**(77,356)**
Loss before tax		**(219,790)**	**(429,933)**
Tax expense		--	(59)
Loss for the year		**(219,790)**	**(429,992)**
Other comprehensive income			
Other comprehensive income		--	--
Income tax on other comprehensive income		--	--
Other comprehensive income for the year, net of tax		--	--
Total comprehensive income loss for the year		**(219,790)**	**(429,992)**

The notes on pages 6 to 41 are an integral part of these consolidated financial statements.

Geden Holdings Limited and Its Subsidiaries
Consolidated Statement of Financial Position
As at 31 December 2014

(Currency: In thousands of US Dollars ("USD"))

	Note	31 December 2014	31 December 2013
Assets			
Property and equipment	*11*	878,626	1,540,215
Trade and other receivables	*13*	155	243
Deferred financing charges	*12*	1,751	2,232
Deferred losses	*15*	8,020	16,714
Non-current assets		**888,552**	**1,559,404**
Trade and other receivables	*13*	4,404	5,112
Inventory	*14*	6,505	9,697
Deferred financing charges	*12*	383	125
Deferred losses	*15*	1,736	3,827
Cash and cash equivalents	*16*	4,120	4,364
Current assets		**17,148**	**23,125**
Total assets		**905,700**	**1,582,529**
Equity			
Share capital	*17*	238,348	238,348
(Accumulated losses)/ Retained earnings		(219,021)	769
Total equity		**19,327**	**239,117**
Liabilities			
Loans and borrowings	*18*	438,623	840,635
Due to related parties	*24*	36,982	2,004
Deferred income	*19*	1,333	1,828
Non-current liabilities		**476,938**	**844,467**
Loans and borrowings	*18*	354,173	437,241
Trade and other payables	*21*	41,337	58,084
Deferred income	*19*	1,655	2,483
Provisions		11,120	--
Employee benefit	*20*	1,150	1,137
Current liabilities		**409,435**	**498,945**
Total liabilities		**886,373**	**1,343,412**
Total equity and liabilities		**905,700**	**1,582,529**

The notes on pages 6 to 41 are an integral part of these consolidated financial statements.

Geden Holdings Limited and Its Subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2014

(Currency: In thousands of US Dollars ("USD"))

		Attributable to owners of the Company		
	Note	**Share capital**	**Retained earnings/ (accumulated losses)**	**Total equity**
Balance at 1 January 2013		**238,348**	**430,761**	**669,109**
Loss for the year		--	(429,992)	**(429,992)**
Total other comprehensive income		--	--	--
Total comprehensive income for the year		--	(429,992)	(429,992)
Balance at 31 December 2013	*17*	**238,348**	**769**	**239,117**
Balance at 1 January 2014		**238,348**	**769**	**239,117**
Loss for the year		--	(219,790)	**(219,790)**
Total other comprehensive income		--	--	--
Total comprehensive income for the year		--	(219,790)	**(219,790)**
Balance at 31 December 2014	*17*	**238,348**	**(219,021)**	**19,327**

The notes on pages 6 to 41 are an integral part of these consolidated financial statements.

Geden Holdings Limited and Its Subsidiaries
Consolidated Statement of Cash Flows
For the year ended 31 December 2014

(Currency: In thousands of US Dollars ("USD"))

	Note	2014	2013
Cash flows from operating activities			
Loss for the year		(219,790)	(429,992)
Adjustments for:			
Depreciation	*11*	60,024	90,152
Impairment losses on vessels, net	*11*	49,084	137,734
Net finance costs	*10*	63,748	77,356
Loss on sale of vessels	*8*	151,597	249,153
Deferred finance charges		434	565
Provision for lawsuits		11,120	--
Employee bonus provision	*20*	1,150	1,137
		117,365	126,106
Changes in:			
Trade and other receivables		795	23,749
Inventories		3,192	(2,077)
Deferred finance charges		(210)	(474)
Due to related parties		34,978	(20,425)
Current trade and other payables		(16,167)	(21,108)
Non-current trade and other payables		--	(4,952)
Current and non-current deferred loss		10,784	23,350
Current and non-current deferred income		(1,323)	(12,718)
Bank commissions paid		(11)	(9)
Employee bonus provision paid	*20*	(1,137)	(764)
Cash generated from operating activities		**148,266**	**110,678**
Interest received		1	140
Income tax paid		--	(59)
Net cash from operating activities		**148,267**	**110,759**
Cash flows from investing activities			
Proceeds from sales of vessels		400,886	404,296
Acquisition of vessels	*11*	--	(138,591)
Net cash from investing activities		**400,886**	**265,705**
Cash flows from financing activities			
Proceeds from borrowings		7,940	142,646
Repayment of borrowings		(389,599)	(401,180)
Payment of finance lease liabilities		(103,421)	(71,611)
Interest paid		(64,317)	(70,177)
Net cash used in financing activities		**(549,397)**	**(400,322)**
Net decrease in cash and cash equivalents		(244)	(23,858)
Cash and cash equivalents at 1 January		4,364	28,222
Cash and cash equivalents at 31 December	*16*	**4,120**	**4,364**

The notes on pages 6 to 41 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1 Reporting entity

Geden Holdings Limited (the "Company") is a company established in October 2002 and domiciled in Malta. The registered office of the Company is situated at 85 St John Street, Valetta, Malta.

The consolidated financial statements of the Company as at and for year ended at 31 December 2014 comprise the Company and its 86 subsidiaries (together referred to as the "Group" and individually as "Group entities").

The Group is primarily involved in chartering of its vessels and chartered vessels from third parties for the transportation of crude oil, petroleum products and dry cargos. As at 31 December 2014, the Group has a fleet of 21 vessels (31 December 2013: 34).

As at 31 December 2014, the total number of personnel worked for the Group is 898 (31 December 2013: 1,048).

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements as at 31 December 2014 of the Group have been prepared in accordance with International Financial Reporting Standards (IFRSs). The consolidated financial statements were authorized for issue by the Board of Directors on 14 August 2015.

The Company and its subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with Profit Tax Ordinance ("PTO") of Republic of Malta in US Dollars ("USD").

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis adjusted, where required by IFRS, to measure certain items at fair value. The methods used to measure fair values are discussed further in Note 4.

(c) Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to reach a better capital structure and sustain positive cash flows from operating activities.

The Group incurred a net loss of USD 219,790 for the year ended 31 December 2014 and, as of that date, the Group has a total accumulated loss amounting USD 219,021 and the Group's current liabilities exceeded its current assets by USD 392,287. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The Group's financial position and results of operations and cash flows are largely dependent upon success of its future operations. The Group's ability to continue as a going concern depends on the support of its parent company, Buselten Finance SA in which its possible support in the foreseeable future in case of illiquidity. In addition, the Group will revolve its credit lines and defer its payments by restricting its borrowings or by selling its vessels. Management believes that the Company will continue as a going concern for the foreseeable future.

2 Basis of preparation *(continued)*

(d) Functional and presentation currency

These consolidated financial statements are presented in US Dollars ("USD"), which is the Company's functional currency. USD is significantly used in the operations of the Group and has a significant effect on the operations. Therefore, USD has been determined as the functional currency of the Company in line with IAS 21- "The Effect of Changes in Foreign Exchange Rates". All financial information presented is in USD rounded to the nearest digit thousands, except when otherwise indicated.

(e) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

Note 11 –Classification of sale and leaseback transaction

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 11 – key assumptions used in discounted cash flow projections
Note 11 – useful lives of vessels and residual value of vessels
Note 22 – valuation of financial instruments
Note 20 and 23 – employee benefit and provisions and contingencies

In accordance with IAS 16 "*Property, Plant and Equipment*" the residual value and the useful life of an asset shall be reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 "*Accounting Policies, Changes in Accounting Estimates and Errors*".

As part of the yearly review of useful lives of vessels, the Group made necessary evaluation by considering current technologic conditions. Based on the evaluation performed, useful life of vessels was changed from 20 years to 25 years beginning from 2011.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. There is no goodwill or non-controlling interest arising on consolidation.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are retranslated to the functional currency at the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit and loss.

(c) Financial instruments

(i) Non-derivative financial assets

All financial assets are recognised initially on the trade date at which is the date the Group becomes a party to the contractual provision of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories: loans and receivables which include trade and other receivables, due from related parties and cash and cash equivalents.

3 Significant accounting policies *(continued)*

(c) Financial instruments *(continued)*

(i) Non-derivative financial assets (continued)

Cash and cash equivalents comprise cash on hand and cash at banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Trade and other receivables/Due from related parties are stated at their amortised cost less impairment losses. Short duration receivables with no stated interest rate are measured at original invoice amount unless the effect of imputed interest is significant. The Group maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowance, management considers historical losses, current receivables aging, and existing industry data. The Group reviews its allowance for doubtful accounts periodically. Past due balances over a specified term and amounts are reviewed individually for collectability. Appropriate allowances for estimated unrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired.

(ii) Non-derivative financial liabilities

All financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Short duration payables with no stated interest rate are measured at original invoice amount unless the effect of imputed interest is significant.

(iii) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

(d) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. For vessels purchased, these costs include expenditures that are directly attributable to the acquisition. Vessels acquired in the market are recorded at their cost to the Company which consists of the purchased price, acquisition and delivery costs.

"Vessels under construction" includes installment payments, interest, other financing costs, construction design, supervision costs and other pre-delivery costs incurred during the construction period that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property and equipment have different useful lives, they are accounted for as separated items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment calculated as the difference between the net proceeds from disposal and the carrying amount of and the item is recognised net within in profit or loss.

3 Significant accounting policies *(continued)*

(d) Property and equipment *(continued)*

(ii) Subsequent costs

Subsequent expenditures are capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repair and maintenance such as expenses incurred during dry-docking is expensed as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, the component is depreciated separately.

Items of property and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful life for vessels which approximate the estimated economic useful lives of such assets for the current period is 25 years. The estimated useful lives for vessels which were acquired from market (second-hand) are 10 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The useful life of vessels was revised in 2011.

(e) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Group's statement of financial position.

(f) Inventories

Inventories which are comprised of bunker, lubrication oil, chemicals and material provisions are measured at the lower of cost and net realizable value. The cost of inventories is based on first-in first-out principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of selling expenses.

3 Significant accounting policies *(continued)*

(g) Sale and leaseback transactions

The Group's management has recognised the sale and leaseback transactions for nine of its vessels in accordance with IAS 17 *"Leases"* and SIC Interpretation 27 *"Evaluating the substance of transactions involving the legal form of a lease"*. Management has considered that the provisions of SIC 27 are not applicable however the Group has substantial risks and rewards incidental to ownership and the exercise of the option to purchase the vessels is considered to be almost certain.

Following this analysis the Group's management has concluded that the leaseback is a finance lease since it considers that the Group retains substantially all the risks and rewards incidental to ownership since it is reasonably certain that the Group will exercise the option to purchase the vessels.

As a result of the above, the Group has derecognised the vessels and has recognised them back at their fair value which was higher than the carrying amount. The gain / (loss) has been deferred and is being amortised to the profit or loss over the lease term which is considered to be from 5 to 10 years.

If a lease agreement contains a purchase option and is classified at its inception as a finance lease because it is reasonably certain that the purchase option will be exercised, then the lease classification should not be reconsidered if subsequently the lessee determines that it is likely that the purchase option will no longer be exercised. Accordingly, the lease classification remains a finance lease.

(h) Impairment

(i) Non-derivative financial assets

A financial asset not classified as fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can conclude default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor will enter bankruptcy, adverse changes in the payment status of borrowers in the Group, economic conditions that correlate with defaults.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit (CGU) exceeds its recoverable amount.

3 Significant accounting policies *(continued)*

(h) Impairment *(continued)*

(ii) Non-financial assets

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any non-financial assets to reduce the carrying amount of these assets in the unit on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Impairment of vessels

The Group performed a test of the estimated recoverable amount of the vessels by obtaining third party professional valuations (net selling price has been computed based on valuations) for all vessels. Additionally, the Group has performed a value in use analysis for each vessel separately. Accordingly, higher of net selling prices and value in use for each vessel have been compared to the carrying book values of the vessels and an impairment or a reversal of impairment amount has been reflected to the accompanying consolidated financial statements.

(i) Employee benefits

Employee benefits comprise bonus provision of employees. Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(j) Deferred financing charges

Deferred financing charges represent the unamortised costs incurred on issuance of the Group's credit facilities. Amortization of deferred financing charges on credit facilities is provided using the effective interest method. To the extent that the amortisation of the deferred financing charges related to operating credit facilities, the amortisation is expensed while the amortisation of the deferred financing charges relating to construction facilities were capitalized to the related vessels under construction.

(k) Provisions

A provision is recognised if, as a result of past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Short term provisions are measured on an undiscounted basis and are expensed as the related service provided.

3 Significant accounting policies *(continued)*

(l) Revenue and expense recognition

The Group's revenues are generated from hiring out their own vessels and vessels hired from third parties with time and spot charter agreements for the carriage of crude oil, petroleum products and dry cargos and sale of vessels including vessels under construction. Revenue from hire services is recognized ratably when earned according to the terms of the vessel rental contracts.

Charter hire services

Revenue derived from charter hire services is recognised as services are rendered and collection is reasonably assured. Any expected losses on shipping contracts are provided for as they become known. Cash received in excess of earned revenue is recorded as deferred revenue. Commissions paid to customers are deducted from relevant income as incurred.

Revenues from time charters are accounted for as operating leases and are thus recognized ratably at a fixed charter hire rate per day over the rental periods of such charters, as service is performed. The charter hire is payable monthly in advance. During the charter period, the charterer is responsible for operating the vessel and bears all voyage costs and expenses except personnel salaries with respect to the vessel and commission.

A spot charter agreement with a customer consists of sailing to the load port (the positioning leg), loading the cargo, sailing to the discharge port and discharging the cargo. The charter agreement requires the relevant vessel to proceed to the port or place as ordered by charterer in accordance with the contract. The vessel is, therefore, employed from the time it receives a contract until the last discharge point and a contract is not cancelable in the positioning leg, provided the Group fulfills their contractual commitments. Accordingly, the voyage period commences upon departure from the discharge port of the vessel's previous cargo and ends upon the departure from the discharge port of the current cargo.

The Group does not begin recognising voyage revenue until a charter has been agreed to by both the Group and the customer, even if the vessel has discharged its cargo and is sailing to the anticipated load port of its next voyage. Voyage expenses are recognised as incurred and primarily include those specific costs which are borne by the Group in connection with spot charters which would otherwise have been borne by the charterer under time charter agreements. These expenses principally consist of commissions to brokers, bunker expenses, canal and port charges. Commissions charged by third party broker companies are accounted as expense in voyage expenses.

Vessel operating expenses include crewing, repair and maintenance, insurance, stores, lubricants, and communication expenses. These expenses are recognised when incurred.

Income from sale of vessels

Income from the sale of vessels is measured at the fair value of the consideration received or receivable, net of commission expenses. Income is recognised when the significant risks and rewards of ownership of vessels have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of vessels can be estimated reliably, and there is no continuing management involvement with the vessels. Transfers of risks and rewards vary depending on the individual terms of the contract of sale. For sales of vessels under construction, transfer usually occurs when the vessel is completed by the shipyard and is delivered to customers. For sale of operating vessels, the ownership of the vessel is generally delivered to the new owner by the end of charter period.

3 Significant accounting policies *(continued)*

(m) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(n) Finance income and expenses

Finance income comprises interest income on funds invested that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Finance costs comprise interest expense on borrowings and bank commission expenses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Borrowing costs that are not attributable to the acquisition, construction or production of a qualifying asset are expensed as incurred. The Group's policy is to capitalize borrowing costs including interest costs and eligible transaction cost of debt during the construction of the vessels. Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(o) Income taxes

Group entities in Malta

According to tax legislation in the Republic of Malta, tax rates differ depending on the operational areas of the companies and the nature of income. Income obtained from shipping activities of a licensed shipping organization is not subject to taxation in the Republic of Malta. The Group entities in Malta are solely engaged in shipping activities and there is no management intention of expanding business activities to other than Shipping. Consequently effective tax rate for the Group entities in Malta is nil.

(p) Related parties

For the purpose of accompanying consolidated financial statements, the shareholders, key management personnel and the Board members and in each case together with their families, and companies controlled by/affiliated with them and; associates, investments and joint venture partners are considered and referred to as the related parties. A number of transactions are entered into with the related parties in the normal course of business.

(q) Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

3 Significant accounting policies *(continued)*

(r) New standards and interpretations not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2015; however the Group has not applied the following new or amended standards in preparing these consolidated financial statement.

IFRS 9 Financial Instruments – Classification and measurement

As amended in December 2012, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new IFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. The amendments made to IFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. The Group is in the process of assessing the impact of the standard on consolidated financial position or performance of the Group.

IAS 16 and IAS 38 – Clarification of acceptable methods of depreciation and amortization

The amendments to IAS 16 Property, Plant and Equipment explicitly state that revenue-based methods of depreciation cannot be used for property, plant and equipment. The amendments to TAS 38 Intangible Assets introduce a rebuttable presumption that the use of revenue-based amortization methods for intangible assets is inappropriate. The amendments are effective for annual periods beginning on after 1 January 2016, and are to be applied prospectively. Early adoption is permitted. The Group does not expect that these amendments will have significant impact on the consolidated financial position or performance of the Group.

IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 - (2013)

In November 2013, the IASB issued a new version of IFRS 9, which includes the new hedge accounting requirements and some related amendments to IAS 39 and IFRS 7. Entities may make an accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 for all of their hedging transactions. Further, the new standard removes the 1 January 2015 effective date of IFRS 9. The new version of IFRS 9 issued after IFRS 9 (2013) introduces the mandatory effective date of 1 January 2018 for IFRS 9, with early adoption permitted. The Group is in the process of assessing the impact of the standard on consolidated financial position or performance of the Group.

IFRS 9 Financial Instruments (2014)

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 *Financial Instruments Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial instruments including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and de-recognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Group is in the process of assessing the impact of the standard on consolidated financial position or performance of the Group.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

3 Significant accounting policies *(continued)*

(r) New standards and interpretations not yet adopted *(continued)*

IFRS 15 Revenue from Contracts with customers

The standard replaces existing IFRS and US GAAP guidance and introduces a new control-based revenue recognition model for contracts with customers. In the new standard, total consideration measured will be the amount to which the Company expects to be entitled, rather than fair value and new guidance have been introduced on separating goods and services in a contract and recognizing revenue over time. The standard is effective for annual periods beginning on or after 1 January 2017, with early adoption permitted under IFRS. The Group is in the process of assessing the impact of the amendment on consolidated financial position or performance of the Group.

4 Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Trade and other receivables / Due from related parties

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted of the market rate of interest at the reporting date less impairment, if any. The carrying amounts, at face value or cost plus accrued interest, approximate to fair value because of short maturity of these instruments.

(ii) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the net present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

5 Revenue

For the years ended 31 December 2014 and 2013, revenues comprised the following:

	2014	2013
Hire earnings from owned vessels	133,604	199,094
Hire earnings from chartered vessels	228	11,992
Total revenue	**133,832**	**211,086**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

5 Revenue *(continued)*

Acquisition and operation starting dates of the vessels are as follows:

Names of the vessel	Year built	Acquisition date	Operation starting dates
M/V Secret	2013	--	4 January 2013
M/V Sharp	2013	--	22 January 2013
M/V World	2013	--	1 February 2013
M/V Capital	2013	--	15 February 2013
M/V Metropol (*)	2012	--	23 November 2012
M/T Royal	2012	--	22 October 2012
M/V West (*)	2012	--	21 September 2012
M/V East (*)	2012	--	4 May 2012
M/V South (*)	2012	--	4 March 2012
M/T Power	2011	--	23 September 2011
M/T Pretty (*)	2011	--	15 September 2011
M/T Value	2011	--	15 July 2011
M/T Bravo	2011	--	13 July 2011
M/T Center	2011	--	21 June 2011
M/V Angel (*)	2011	--	8 March 2011
M/T Hero (*)	2011	--	3 March 2011
M/T Blank	2011	--	26 January 2011
M/V Amazing	2010	--	26 August 2010
M/T Avor	2010	--	17 August 2010
M/V Fantastic	2010	--	17 August 2010
M/T Reef	2010	--	26 July 2010
M/T Spike	2010	--	26 July 2010
M/T Pink	2010	--	23 June 2010
M/T True	2010	--	4 June 2010
M/V Asia (*)	2009	--	31 May 2010
M/T Blue	2009	--	11 February 2010
M/T Target	2009	--	23 November 2009
M/T Profit	2009	--	19 August 2009
M/V Proud (*)	2009	--	5 June 2009
M/V Flash	2009	--	20 January 2009
M/V Clear (*)	2009	--	20 January 2009
M/V Spot (*)	2008	--	15 December 2008
M/V Tarsus (*)	2008	--	14 November 2008
M/V Scope (*)	2006	--	16 November 2006

(*) These vessels were sold during 2014.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

6 Cost of services

For the years ended 31 December 2014 and 2013, cost of services comprised the following:

	2014	2013
Broker commission expenses	2,311	4,626
Bunker expenses	1,922	10,864
Port expenses	1,842	2,891
Total voyage expenses	**6,075**	**18,381**
Depreciation expense	60,024	90,152
Personnel expenses	28,209	48,482
Hire expense of vessels	8,880	5,611
Insurance premiums	5,899	11,205
Provisions, primarily materials	5,843	10,622
Lubricant expenses	3,880	6,464
Management fee	3,725	5,006
Travelling expenses	2,644	4,763
Survey expenses	1,934	3,703
Spare part expenses	1,903	2,823
Dry-dock expenses	1,708	3,802
Repair and maintenance expenses	216	585
Other	883	304
Vessel operating expenses	**125,748**	**193,522**
Total cost of services	**131,823**	**211,903**

For the years ended 31 December 2014 and 2013, personnel expenses comprised the following:

	2014	2013
Wages and salaries	28,196	48,309
Bonus expenses	13	173
Total personnel expenses	**28,209**	**48,482**

7 Other income

For the years ended 31 December 2014 and 2013, other income comprised the following:

	2014	2013
Insurance compensation gain, net	2,233	1,896
Gain on bunker sale	--	444
Gain on write-offs from trade payables	--	249
Management fee	--	251
Income raised from reversal of financial lease liabilities(*)	49,000	
Other	4,929	2,689
Total other income	**56,162**	**5,529**

(*) The income comprised of reversal of financial lease liabilities with respect of settlement agreement signed between Aqua Shipping Limited&Action Shipping Limited and FSL.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

8 Other expense

For the years ended in 31 December 2014 and 2013, other expenses comprised the following:

	2014	2013
Loss on sale of vessels, net	151,596	249,153
Provision for lawsuits	7,785	--
Early termination of memorandum of agreement expenses	--	2,000
Others	--	11,350
Total other expense	**159,381**	**262,503**

Gain/ (loss) on sale of vessels

The Group sold its owned vessels namely M/V Angel, M/V Asia, M/V Clear, M/V East, M/T Hero, M/V Pretty, M/V Proud, M/V Scope, M/V South, M/V Spot, M/V Tarsus and re-delivered its finance lease vessels (bareboat chartered vessels) namely M/V Metropol, M/V West, to its owners during 2014 and recognized a loss on sale amounting to USD 151,596 regarding these transactions (2013: loss on sale of vessels amounting to USD 249,153).

As at 31 December 2014, the number of vessels on the sale and lease back deals was nine. In the context of sale and leaseback transaction, the Group has recorded these vessels as a finance lease in the statement of financial position. The summary of sale and leaseback transactions in total are as follows:

The name of these vessels are M/T Center, M/T Spike, M/T Avor, M/V Fantastic, M/V Amazing, M/V Secret, M/V Sharp, M/V World and M/V Capital. The net book values of these vessels at disposal date after impairment and net sale proceeds according to the sales agreements with the buyers are summarized in the below tables. Then, the Company leased them (either with lease agreement or bareboat charter contract) back from the buyers and recorded the lower of the fair values or present values of minimum lease payments which are amounting to USD 69,000, USD 60,000, USD 60,000, USD 37,500, USD 37,500, USD 23,000, USD 23,000, USD 23,000 and USD 23,000, respectively representing fair values at the transaction dates, as property and equipment due to the reason that these transactions have satisfied at least one of the criteria of being a finance lease.

As these sale and leaseback operations have resulted in a finance lease, the remaining total loss amounting to USD 18,680; and total gain amounting USD 2,332 should be recognized as loss and gain, respectively on sale over the lease term. For the year ended 31 December 2014, the Group has recognized loss amounting to USD 8,863 (2013: USD 9,359) and gain amounting to USD 631 (2013: USD 588) with respect to these sale and leaseback operations and the remaining balance amounting to USD 9,756 has been recorded as deferred loss (31 December 2013: USD 20,541) and USD 1,701 has been recorded as deferred income (31 December 2013: USD 2,333) as at 31 December 2014.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

8 Other expense *(continued)*

For the year ended 31 December 2014 the details of gain/ (loss) on sale of vessels are as follows:

Names of the vessels sold	Sale date	Net proceeds from sale	Net book value at disposal date after impairment	Gain/(loss) on sales of vessels during 2014	Deferred income at 31 December 2014	Deferred loss at 31 December 2014
Operating vessels						
M/V Amazing	August 10	33,500	37,745	(737)	--	2,020
M/V Angel	April 14	46,250	67,726	(21,476)	--	--
M/V Asia	April 14	22,100	41,694	(7,202)	--	--
M/T Avor	August 10	54,500	65,549	(2,253)	--	714
M/V Capital	February 13	23,730	23,000	158	430	--
M/T Center	June 11	69,000	83,952	(2,994)	--	4,401
M/V Clear	June 14	22,133	39,510	(5,335)	--	--
M/V East	January 14	26,260	31,853	(4,471)	--	--
M/V Fantastic	August 10	33,500	38,026	(730)	--	2,001
M/T Hero	January 14	48,500	72,931	(18,793)	--	--
M/V Metropol (*)	November 12	26,260	32,924	(5,602)	--	--
M/V Pretty	April 14	46,250	65,925	(19,675)	--	--
M/V Proud	February 14	40,800	92,179	(27,741)	--	--
M/V Scope	February 14	33,660	44,965	(11,305)	--	--
M/V Secret	January 13	23,730	23,000	156	420	--
M/V Sharp	January 13	23,730	23,000	158	424	--
M/V South	February 14	25,500	32,070	(4,669)	--	--
M/T Spike	August 10	55,000	65,554	(2,150)	--	620
M/V Spot	May 14	23,133	39,543	(4,951)	--	--
M/V Tarsus	June 14	23,133	38,904	(4,919)	--	--
M/V West (*)	September 12	25,500	33,857	(7,225)	--	--
M/V World	January 13	23,730	23,000	160	427	--
		749,899	**1,016,907**	**(151,596)**	**1,701**	**9,756**

(*) These vessels were redelivered to its owners within 2014.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

8 Other expense *(continued)*

For the year ended 31 December 2013, the details of gain/ (loss) on sale of vessels are as follows:

Names of the vessels sold	Sale date	Net proceeds from sale	Net book value at disposal date after impairment	Gain/(loss) on sales of vessels during 2013	Deferred income at 31 December 2013	Deferred loss at 31 December 2013
Operating vessels						
M/T Acor	July 13	20,800	30,580	(9,780)	--	--
M/T Action (*)	April 08	30,433	52,815	(17,165)	--	--
M/V Amazing	August 10	33,500	37,745	(735)	--	2,756
M/T Aqua (*)	April 08	30,111	52,541	(16,075)	--	--
M/T Avor	August 10	54,500	65,549	(2,246)	--	2,961
M/V Baytur	March 13	13,625	9,196	4,429	--	--
M/V Capital	February 13	23,730	23,000	140	590	--
M/T Cargo	July 13	21,800	32,377	(10,577)	--	--
M/T Carry	July 13	20,800	31,844	(11,044)	--	--
M/V Cash (*)	September 13	28,500	44,126	(15,626)	--	--
M/T Center	June 11	69,000	83,952	(3,029)	--	7,387
M/T Citron	October 13	22,000	34,411	(12,411)	--	--
M/T Citrus	October 13	24,000	35,713	(11,713)	--	--
M/V City	July 13	29,000	47,358	(18,358)	--	--
M/V Collection	July 13	28,500	46,646	(18,146)	--	--
M/V Cotton	July 13	20,800	32,086	(11,286)	--	--
M/V Earth	July 13	2,944	2,412	532	--	--
M/T Enjoy (*)	April 11	39,380	59,521	(33,270)	--	(37)
M/V Fantastic	August 10	33,500	38,026	(728)	--	2,729
M/T Marka (*)	April 12	39,664	62,430	(23,592)	--	--
M/V Metropol	November 12	23,730	25,000	(265)	--	977
M/V Namrun	October 13	20,943	23,141	(2,198)	--	--
M/T Rock	July 13	21,800	33,261	(11,461)	--	--
M/T Rocket	July 13	21,800	33,529	(11,729)	--	--
M/T Rova	July 13	20,800	32,206	(11,406)	--	--
M/V Secret	January 13	23,730	23,000	155	575	--
M/V Sharp	January 13	23,730	23,000	148	582	--
M/T Spike	August 10	55,000	65,554	(2,144)	--	2,824
M/V West	September 12	23,730	25,000	(254)	--	944
M/V Wind	August 13	2,944	2,407	536	--	--
M/V World	January 13	23,730	23,000	145	586	--
Total		**848,524**	**1,131,426**	**(249,153)**	**2,333**	**20,541**

(*) These vessels were redelivered to its owners within 2013.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

9 Administrative expenses

For the years ended 31 December 2014 and 2013, administrative expenses comprised the following:

	2014	2013
Legal consultancy fees	3,135	5,778
Management fees	1,572	2,708
Others	1,041	3,164
Total administrative expenses	**5,748**	**11,650**

10 Finance income and finance costs

For the years ended 31 December 2014 and 2013, finance income and costs comprised the following:

	2014	2013
Finance income		
Net foreign exchange income	370	--
Others	199	140
	569	**140**
Finance costs		
Interest expense on financial liabilities measured at amortised cost	(64,317)	(76,608)
Net foreign exchange loss	--	(294)
Others	--	(594)
	(64,317)	**(77,496)**
Net finance costs recognised in profit or loss	**(63,748)**	**(77,356)**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

11 Property and equipment

The movements in property and equipment and related accumulated depreciation for the years ended 31 December 2014 and 2013 were as follows:

	Vessels	Finance lease vessels	Vessels in progress	Aircraft in progress	Leasehold improvements	Furniture, computers, and equipment	Total
Cost or deemed cost							
Balance at 1 January 2013	2,015,086	583,999	144,162	1,000	521	234	2,745,002
Additions	--	138,591	--	--	--	--	138,591
Disposals	(455,838)	(268,335)	(144,162)	(1,000)	--	--	(869,335)
Balance at 31 December 2013	**1,559,248**	**454,255**	**--**	**--**	**521**	**234**	**2,014,258**
Balance at 1 January 2014	1,559,248	454,255	--	--	521	234	2,014,258
Additions	--	--	--	--	--	--	--
Disposals	(682,384)	(68,788)	--	--	(428)	(56)	(751,656)
Balance at 31 December 2014	**876,864**	**385,467**	**--**	**--**	**93**	**178**	**1,262,602**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

11 Property and equipment *(continued)*

	Vessels	Finance lease vessels	Vessels in progress	Aircraft in progress	Leasehold improvements	Furnitures, computers and equipments	Total
Depreciation and impairment losses							
Balance at 1 January 2013	336,460	125,016	--	--	448	120	462,044
Depreciation for the year	69,050	21,069	--	--	24	9	90,152
Reversal of impairment loss	(2,812)	(16,594)	--	--	--	--	(19,406)
Impairment loss for the year	101,177	55,963	--	--	--	--	157,140
Disposals	(119,455)	(96,432)	--	--	--	--	(215,887)
Balance at 31 December 2013	**384,420**	**89,022**	**--**	**--**	**472**	**129**	**474,043**
Balance at 1 January 2014	384,420	89,022	--	--	472	129	474,043
Depreciation for the year	39,966	20,058	--	--	--	--	60,024
Reversal of impairment loss	(40,847)	(33,220)	--	--	--	--	(74,067)
Impairment loss for the year	100,546	22,605	--	--	--	--	123,151
Disposals	(194,126)	(4,601)	--	--	(418)	(30)	(199,175)
Balance at 31 December 2014	**289,959**	**93,864**	**--**	**--**	**54**	**99**	**383,976**
Carrying amounts							
At 1 January 2013	**1,678,626**	**458,983**	**144,162**	**1,000**	**74**	**114**	**2,282,906**
At 31 December 2013	**1,174,828**	**365,233**	**--**	**--**	**50**	**104**	**1,540,215**
At 1 January 2014	**1,174,828**	**365,233**	**--**	**--**	**50**	**104**	**1,540,215**
At 31 December 2014	**586,905**	**291,603**	**--**	**--**	**39**	**79**	**878,626**

11 Property and equipment *(continued)*

Sale and leaseback transactions

The Group has sold nine of its vessels and leased back the ships from the purchasers. In the context of sale and leaseback transaction, the Group recorded these vessels as a finance lease in the statement of financial position. As at 31 December 2014, carrying amount of these vessels is amounting to USD 291,603 (31 December 2013: USD 365,233) (see note 8).

Security

At 31 December 2014, USD 384,858 (31 December 2013: USD 825,395) of the outstanding loans are secured with mortgages over the operating vessels which are twenty one vessels (31 December 2013: thirty four operating vessels). The subject mortgages will be lifted when the relevant loans are fully repaid. In addition, in relation to the vessels under construction, the rights over the shipbuilding contracts and the refund guarantees were assigned to the respective lenders as security during the construction period of the vessels. As at 31 December 2014, the vessels in property and equipment were insured to the extent of USD 1,735,000 (31 December 2013: USD 2,715,000).

Impairment loss and subsequent reversal

The vessels are evaluated for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of vessel may not be recoverable. The review for potential impairment indicators and projection of future cash flows related to the vessel is complex and requires the Group to make various estimates, including future freight rates and earnings from vessels. All of these items have been historically volatile. By considering the current worldwide economic circumstances, the Group performed a test of the estimated recoverable amount.

The recoverable amount of the operating vessels was determined based on higher of its fair value less costs to sell and value in use. This assessment is made at the individual vessel level as separately identifiable cash flow information for each vessel is available. Based on the assessment for the year 2013, the Group reassessed its estimates and USD 19,406 of initially recognized impairment was reversed and impairment loss amounting to USD 157,140 was recognized in profit and loss. For 2014, the Group reassessed its estimates and USD 74,067 of initially recognized impairment was reversed and impairment loss amounting to USD 123,151 was recognized in profit and loss.

The estimate of value in use was determined using a pre-tax discount rate of 7.54 percent (2013: 7.79 percent).

Value in use was determined by discounting the future cash flows generated from operating vessels. The Company made assumptions about future charter rates, ship operating expenses, vessels' residual value and the estimated remaining useful lives of the vessels. These assumptions are based on historical trends as well as future expectations. The projected net operating cash flows are determined by considering the charter revenues from existing time charters for the fixed fleet days over the remaining estimated life of each vessel. Expected outflows for scheduled vessels' maintenance and vessel operating expenses are based on historical data.

As at 31 December 2014 and 2013, there is no vessel under construction.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

12 Deferred financing charge

As at 31 December 2014 and 2013, deferred financing charges comprised of unamortised costs incurred on issuance of the Group's credit facilities. The movement of deferred financing charge during the year ended 31 December 2014 is as follows:

	2014	**2013**
Balance at 1 January	2,357	2,448
Cost incurred	210	474
Amortisation expensed	(408)	(540)
Amortisation capitalized	(25)	(25)
Balance at 31 December	**2,134**	**2,357**

13 Trade and other receivables

As at 31 December 2014 and 2013, trade and other receivables comprised the following:

	31 December 2014	**31 December 2013**
Trade receivables	2,581	3,097
Doubtful trade receivables	748	1,194
Allowance for doubtful trade receivables	(748)	(1,194)
	2,581	**3,097**
Job advances	419	292
Prepaid insurance	327	564
Advances to personnel	284	462
Prepaid survey expenses	176	344
Other receivables	771	596
	1,977	**2,258**
	4,558	**5,355**
Current	4,404	5,112
Non-current	154	243
	4,558	**5,355**

The Group's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in Note 22.

14 Inventories

As at 31 December 2014, inventories amounting to USD 6,505 (31 December 2013: USD 9,697) consist of lubricants amounting to USD 2,399 (31 December 2013: USD 4,042), bunkers amounting to USD 3,414 (31 December 2013: 4,681), material provisions amounting to USD 308 (31 December 2013: USD 449), chemicals and paint amounting to USD 384 (31 December 2013: USD 525).

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

15 Deferred losses

As at 31 December 2014, deferred losses classified as current consist of current portion of accrued loss from sale and leaseback transaction amounting to USD 1,736 (31 December 2013: USD 3,827). As at 31 December 2014, deferred losses classified as non-current consist of the non-current portion of accrued loss from sale and leaseback transaction amounting to USD 8,020 (31 December 2013: USD 16,714) (see Note 11).

16 Cash and cash equivalents

	31 December 2014	31 December 2013
Demand deposits	4,090	4,331
Cash on hand	30	33
	4,120	**4,364**

The Group's exposure to interest rate risk and a sensitivity analysis for cash and cash equivalents is disclosed in Note 22.

17 Capital and reserves

Share capital

At 31 December 2014, the Company's paid-in capital consisted of 238.348 (31 December 2013: 238.348) authorised, issued and fully paid shares of USD 1 each.

At 31 December 2014 and 2013, the shareholder structure of the Company was as follows:

	31 December 2014		31 December 2013	
	Amount (full, USD)	**Percentage of ownership (%)**	**Amount (full, USD)**	**Percentage of ownership (%)**
Buselten Finance SA	238,347,999	99.99	238,347,999	99.99
Mr. Ali Tuğrul Tokgöz	0,001	0.01	0,001	0.01
	238,348,000	**100**	**238,348,000**	**100.00**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

18 Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate, foreign currency and liquidity risk related to loans and borrowings, see Note 22.

	31 December 2014	31 December 2013
Non-current liabilities		
Secured bank loans	245,587	490,073
Finance lease liabilities	193,036	350,562
	438,623	**840,635**
Current liabilities		
Current portion of long-term secured bank loans	162,355	335,322
Short term secured bank loans	59,955	24,161
Current portion of finance lease liabilities	131,863	77,758
	354,173	**437,241**
Total loans and borrowings	**792,796**	**1,277,876**

Terms and conditions of outstanding loans were as follows:

	31 December 2014						
	Currency	**Loan security**	**Year of maturity**	**Type**	**Nominal interest rate**	**Face value**	**Carrying amount**
Bank loans	USD	Secured	2015	Variable	Libor+1.85% - Libor+3.00%	89,502	97,698
Bank loans	USD	Secured	2015	Fixed	7.16%-13.19%	78,441	86,697
Bank loans	USD	Secured	2016	Variable	Libor+3.0%	22,285	22,704
Bank loans	USD	Secured	2016	Fixed	8.09%	2,274	2,726
Bank loans	USD	Secured	2017	Fixed	12.00%	40,608	41,789
Bank loans	USD	Secured	2018	Variable	Libor+3.15%	3,224	3,351
Bank loans	USD	Secured	2019	Variable	Libor+1.30% - Libor+3.50%	144,065	145,237
Bank loans	USD	Secured	2020	Variable	Libor+1.30% - Libor+1.50%	67,536	67,694
Financial lease	USD	Secured	2015	Fixed	5.26%	108,012	108,012
Financial lease	USD	Secured	2016	Fixed	9.79%	59,486	59,486
Financial lease	USD	Secured	2017	Fixed	8.47%	62,370	62,370
Financial lease	USD	Secured	2017	Fixed	10.37%	22,316	22,316
Financial lease	USD	Secured	2017	Fixed	10.21%	22,480	22,480
Financial lease	USD	Secured	2017	Fixed	10.26%	44,236	44,236
Financial lease	USD	Secured	2018	Variable	Libor +0.25%	6,000	6,000
						772,835	**792,796**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

18 Loans and borrowings *(continued)*

	31 December 2013						
	Currency	**Loan Security**	**Year of Maturity**	**Type**	**Nominal interest rate**	**Face value**	**Carrying amount**
Bank loans	USD	Secured	2014	Fixed	11.5%-12.00%	49,807	53,023
Bank loans	USD	Secured	2015	Variable	Libor+2.75% - Libor+3.0%	139,567	141,712
Bank loans	USD	Secured	2015	Fixed	6.97%-13.19%	89,990	91,092
Bank loans	USD	Secured	2016	Variable	Libor+1.6% - Libor+3.15%	72,223	72,773
Bank loans	USD	Secured	2017	Fixed	12.00%	44,936	46,074
Bank loans	USD	Secured	2018	Variable	Libor+2.45%	24,000	24,487
Bank loans	USD	Secured	2019	Variable	Libor+1.30% - Libor+3.50%	204,040	205,566
Bank loans	USD	Secured	2020	Variable	Libor+1.30% - Libor+1.50%	73,906	74,070
Bank loans	USD	Secured	2021	Variable	Libor+1.4% - Libor+3.15%	139,568	140,758
Financial lease	USD	Secured	2015	Fixed	5.26%	111,140	111,140
Financial lease	USD	Secured	2016	Fixed	9.79%	60,000	60,000
Financial lease	USD	Secured	2017	Fixed	8.47%	61,819	61,819
Financial lease	USD	Secured	2017	Fixed	8.85%	20,778	20,778
Financial lease	USD	Secured	2017	Fixed	8.98%	19,982	19,982
Financial lease	USD	Secured	2017	Fixed	10.37%	23,685	23,685
Financial lease	USD	Secured	2017	Fixed	10.21%	23,714	23,714
Financial lease	USD	Secured	2017	Fixed	10.26%	47,203	47,203
Financial lease	USD	Secured	2018	Variable	Libor +0.25%	60,000	60,000
						1,266,358	**1,277,876**

Securities

The loans that are related to the operating vessels are secured with mortgages on each respective vessel until the related loans have been paid in full. As at 31 December 2014, such loans amount to USD 384,858 (31 December 2013: USD 825,395).

Breach of covenant and overdue principle and interest payables

As at 31 December 2014, the Group was not in compliance with its financial debt covenants, including the minimum value maintenance covenant ("VMC") for some of its subsidiaries. Credit facilities of these subsidiaries states that values defined on valuation report in respect of the vessels should not be less than defined percentage in the agreement of the outstanding loan. As at 31 December 2014, per VMC calculations here has been a shortfall amounting to USD 2,986 (31 December 2013: USD 38,963). Additionally, some of the subsidiaries have unpaid principal amounting to USD 142,320 (31 December 2013: USD 62,247) and unpaid interest amounting to USD 4,575 (31 December 2013: USD 4,397) which are overdue as at 31 December 2014 regarding the outstanding loans.

As these subsidiaries have not obtained a waiver for their default event from the lenders, these amounts have been classified under current portion of long term secured bank loans in the consolidated financial statements as at 31 December 2014 in accordance with IAS 1 "*Presentation of Financial Statements*" paragraph 65 because at the reporting date, the liability becomes payable on demand and the Group does not have an unconditional right to defer its settlement for at least twelve months after that date.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

18 Loans and borrowings *(continued)*

Finance lease liabilities

Finance lease liabilities as at 31 December 2014 and 2013 are payable as follows:

31 December 2014	Future minimum lease payments	Interest	Present value of minimum lease payments
1 January 2015 - 31 December 2015	151,411	19,548	131,863
1 January 2016 - 31 December 2016	75,479	11,623	63,856
1 January 2017 - 31 December 2017	136,876	7,696	129,180
	363,766	**38,867**	**324,899**

31 December 2013	Future minimum lease payments	Interest	Present value of minimum lease payments
1 January 2014 - 31 December 2014	99,259	21,501	77,758
1 January 2015 - 31 December 2015	136,165	18,281	117,884
1 January 2016 - 31 December 2016	83,529	14,014	69,515
1 January 2017 - 31 December 2017	163,298	22,064	141,234
1 January 2018 - 31 December 2018	21,935	5	21,930
	504,186	**75,865**	**428,321**

19 Deferred income

Deferred income classified as current consists of unearned vessel hiring out earnings that will be recognised as income in the following months after year-end amounting to USD 1,288 (31 December 2013: USD 1,979) and the current portion of unearned income from sale and leaseback transaction amounting to USD 367 (31 December 2013: USD 504). Deferred income classified as non-current consists of the non-current portion of unearned income from sale and leaseback transaction amounting to USD 1,333 (31 December 2013: USD 1,828).

20 Employee benefits

As at 31 December 2014 and 2013, employee benefit comprised of bonus provisions for employees. The movement of bonus provision during the years ended 31 December 2014 and 2013 are as follows:

	2014	2013
Balance at 1 January	1,137	764
Bonus provisions made during the year	1,150	1,137
Bonus provision paid during the year	(1,137)	(764)
Balance at 31 December	**1,150**	**1,137**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

21 Trade and other payables

As at 31 December 2014 and 2013, trade and other payables comprised the following:

	31 December 2014	**31 December 2013**
Trade payables	38,384	52,717
Payable to personnel	2,953	4,386
Other	--	981
	41,337	**58,084**

As at 31 December 2014 and 2013, trade payables balance is related to payables to suppliers arising from the ordinary course of business. The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 22.

22 Financial Instruments

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

22 Financial Instruments *(continued)*

Risk management framework *(continued)*

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and from related parties. The Group's exposure to credit risk is influenced mainly by general stability of worldwide economy. In a stable economy, the Group collects its receivables regularly from charterers. The Group does not require collateral in respect of trade receivables. However, the Group enters into contracts with the charterers for the charter periods. Cash is placed in financial institutions, which are considered at time of deposit to have minimal risk of default.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	31 December 2014	31 December 2013
Trade and other receivables (*)	*13*	3,506	3,936
Cash and cash equivalents (**)	*16*	4,090	4,331
		7,596	**8,267**

(*) Non-financial instruments such as job advances, prepaid expenses and advances to personnel are excluded from trade and other receivables.

(**) Cash on hand is excluded.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity position on a daily basis, which assists it in monitoring cash flow requirements and optimizing its cash return on investments. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

22 Financial instruments *(continued)*

Liquidity risk *(continued)*

The following are the remaining contractual maturities at the end of the reporting period of financial liabilities; including estimated interest payments:

31 December 2014	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Bank loans	467,897	(492,818)	(221,342)	(33,235)	(49,622)	(149,786)	(38,833)
Finance lease liabilities	324,899	(363,766)	(26,352)	(171,627)	(77,607)	(88,180)	--
Trade and other payables	41,337	(41,337)	(41,337)	--	--	--	--
Due to related parties	36,982	(36,982)	(36,982)	--	--	--	--
	871,115	**(934,903)**	**(326,013)**	**(204,862)**	**(127,229)**	**(237,966)**	**(38,833)**

31 December 2013	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 Years
Non-derivative financial liabilities							
Bank loans	849,556	(934,733)	(298,663)	(93,789)	(213,391)	(176,621)	(152,270)
Finance lease liabilities	428,320	(504,566)	(79,993)	(19,980)	(135,623)	(268,971)	--
Trade and other payables	58,084	(58,084)	(58,084)	--	--	--	--
Due to related parties	2,004	(2,004)	(2,004)	--	--	--	--
	1,337,964	**(1,499,387)**	**(438,744)**	**(113,769)**	**(349,014)**	**(445,592)**	**(152,270)**

As disclosed in Note 18, the Group has secured bank loans which contain debt covenants. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices which will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

22 Financial instruments *(continued)*

Interest rate risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows of fair values of financial instruments because of a change in market interest rates. The Group's exposure to the risk of market interest rates are mainly related to the Group's long term debt obligations with floating interest rates.

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-bearing assets and interest-bearing liabilities mature or reprise at different times or in differing amounts. In the case of floating rate assets and liabilities the Group is also exposed to basis risk, which is the difference in reprising characteristics of the various floating rate indices, such as one, three or six months Libor and different types of interest. Risk management activities are aimed at optimizing net interest income, given market interest rate levels consistent with the Group's business strategies.

Profile

At the end of the reporting period the interest rate profile of the Group's interest-bearing financial instruments as reported to the Management of the Group was as follows:

		31 December 2014		31 December 2013	
	Note	Effective interest rate	Carrying amount	Effective interest rate	Carrying amount
Fixed rate instruments					
Bank loans	18				
USD fixed rate loans		7.16%-13.19%	131,212	11.50%13.19%	190,189
Financial lease liabilities					
USD fixed rate financial lease liabilities	18	5.26%-10.37%	318,900	5.26% - 10.37%	368,320
			450,112		**558,509**
Variable rate instruments					
Bank loans	18	Libor+1.30%-		Libor+1.60%-	
USD floating rate loans		Libor+3.50%	336,684	Libor+3.15%	659,357
Financial lease liabilities					
USD floating rate financial lease liabilities	18	Libor +0.25%	6,000	Libor +0.25%	60,000
			342,684		**719,357**
Total			**792,796**		**1,277,866**

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

22 Financial instruments *(continued)*

Interest rate risk *(continued)*

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Additionally, the Group does not account for any fixed rate financial assets and liabilities as available-for-sale. Therefore a change in interest rates at the reporting date would not directly affect equity.

Cash flow sensitivity analysis for variable rate instruments

A change in interest rates at the reporting date would have no significant effect on profit or loss as the major portion of the variable rate financial liabilities comprised of loans and borrowings that were utilized for the vessels under construction. Therefore, a change in interest rates at the reporting date would have effect on property and equipment as the Group is currently using the option of capitalizing borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset.

	Profit or loss		**Equity**	
Effect in USD	**100 bp increase**	**100 bp decrease**	**100 bp increase**	**100 bp decrease**
31 December 2014				
Variable rate instruments	(3,427)	3,427	(3,427)	3,427
Cash flow sensitivity (net)	(3,427)	3,427	(3,427)	3,427
31 December 2013				
Variable rate instruments	(7,194)	7,194	(7,194)	7,194
Cash flow sensitivity (net)	(7,194)	7,194	(7,194)	7,194

Capital management

The Group's net debt to capital ratio at the end of the reporting date was as follows:

	31 December 2014	**31 December 2013**
Total liabilities	886,373	1,343,412
Less: cash and cash equivalents	(4,120)	(4,364)
Net debt	882,253	1,339,048
Total equity	19,327	239,117
Adjusted capital	19,327	239,117
Debt to adjusted capital ratio	**45.65**	**5.60**

There were no changes in the Group's approach to capital management during the year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

22 Financial instruments *(continued)*

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

		31 December 2014		31 December 2013	
	Note	Carrying amount	Fair Value	Carrying amount	Fair value
Trade and other receivables (*)	*13*	3,506	3,506	3,936	3,936
Cash and cash equivalents (**)	*16*	4,090	4,090	4,331	4,331
Loans and borrowings	*18*	(792,796)	(816,922)	(1,277,876)	(1,321,188)
Trade and other payables	*21*	(41,337)	(41,337)	(58,084)	(58,084)
Due to related parties	*24*	(36,982)	(36,982)	(2,004)	(2,004)
		(863,519)	**(887,645)**	**(1,329,697)**	**(1,373,009)**

(*) Non-financial instruments such as job advances, prepaid expenses and advances given are excluded from trade and other receivables.

(**) Cash on hand is excluded.

The basis for determining fair values is disclosed in Note 4.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents, accounts receivable and unbilled revenue, accounts payable and deferred revenue: The carrying amounts, at face value or cost plus accrued interest, approximate fair value because of the short maturity of these instruments.

Due from/to related parties: The carrying amounts of Due from/to related parties approximates fair value due to their related party nature and the possibility that such amounts could be immediately called or put.

Long-term loans and borrowings: The fair value of loans and borrowings is estimated based on expected interest and principal repayments, discounted by forward rates plus a margin appropriate to the credit risk of the Group.

Interest rates used for determining fair value

The interest rates used to discount estimated cash flows, where applicable, are based on the US government yield curve at the reporting date plus an adequate credit spread.

23 Capital commitments and contingencies

As at 31 December 2014, the minimum future revenues to be received on committed time charter party agreements in approximately one year is amounting to USD 62,214 (31 December 2013: USD 97,887) and in between two and five years is amounting to USD 156,193 (31 December 2013: USD 230,038).

As at 31 December 2014, the Company is contingently liable for a guarantee letter given to West of England Ship-owners amounting to USD 2,000 (31 December 2013: USD 2,000).

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

23 Capital commitments and contingencies *(continued)*

Legal proceedings

M/V Flash grounding

On 25 June 2012 the Group's vessel M/V Flash was grounded, causing extensive damage to the vessel. The damage will be covered by the insurers of the vessel

As at 31 December 2014, as the case is still pending and the compensation amount that will be taken from insurers is not virtually certain, the Group has not recognized any income accrual in these consolidated financial statements. In addition, the Group has performed an impairment analysis in accordance with the method disclosed as the Group has believed that the vessel will be an operating vessel after the repair process has been completed.

FSL Trust Management Pte. Ltd vs Aqua Shipping Ltd and Action Shipping Ltd

As a result of the breaches under the subject bareboat charter parties, both parties namely FSL Trust Management Pte. Ltd. ("FSL") vs Aqua Shipping Ltd. and Action Shipping Ltd. have agreed that the bareboat charter agreements to be terminated, the vessels, M/T Aqua and M/T Action, to be redelivered to FSL and the claims for possible losses to be made to the relevant Courts of England.

The parties agreed to settle the disputes between them on terms where M/T Action, M/T Aqua and Geden Holdings Limited paid the USD 8,500 payable in installments by 31 December 2014 in full and final settlement of the dispute.

24 Related parties

Transactions with key management personnel

Key management personnel comprise the Group's Directors.

As at 31 December 2014 and 31 December 2013, none of the Group's directors and executive officers has outstanding personnel loans from the Company.

Total compensation provided to key management personnel is nil for the years ended 31 December 2014 and 2013.

Other related party balances:

The Group has the following outstanding balances which its related parties at 31 December 2014 and 2013:

Due to related parties-long term	**31 December 2014**	**31 December 2013**
Focus Investments Limited	25,939	--
Kurtson Maden ve Sanayi İşletmeleri A.Ş.	10,582	--
Genel Denizcilik	461	2,004
Total	**36,982**	**2,004**

Due to related parties balances are made for long-term funding purposes. There is no interest charged on such balance.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

24 Related parties *(continued)*

Other related party transactions:

Related party transactions for the years ended 31 December 2014 and 2013 are as follows:

	2014	**2013**
Construction in progress		
Genel Denizcilik (management fee charges)	--	102
Cost of services		
Genel Denizcilik (Management service charges)	2,951	4,192
General and administrative expenses		
Genel Denizcilik (Management service charges)	1,419	2,268

As part of the ship management agreements signed with Genel Denizcilik Nakliyatı A.Ş. (the "Manager"), Manager is responsible for technical management of the vessels, including crewing, insurance, supervision and arrangement of maintenance, dry dockings and ordinary repairs, stores and supplies and lubricating oils. In addition, the Manager is responsible for maintaining the records of all costs and expenditures incurred as well as data necessary or proper for the settlement of accounts between parties and supplying regular financial reports by establishing a proper accounting system. For its services under the Management Agreement, the Manager is reimbursed for a management fee of USD 14 thousand per month for each operating vessel.

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

25 Group entities

31 December 2014 and 2013, the subsidiaries of the Company with their country of incorporation are as follows:

Name	Country of Incorporation	Ownership interest (%)	Establishment date
Acor Shipping Ltd	Malta	100	2005
Action Shipping Ltd	Malta	100	2005
Amazing Shipping Ltd	Malta	100	2007
Angel Shipping Ltd	Malta	100	2008
Aqua Shipping Ltd	Malta	100	2005
Asia Shipping Ltd	Malta	100	2008
Avor Navigation Ltd	Malta	100	2003
Baby Shipping Ltd	Malta	100	2008
Barbaros Maritime Ltd	Malta	100	2002
Bati Shipping Ltd	Malta	100	2002
Baytur Shipping Ltd	Malta	100	2002
Best Shipping Ltd (*)	Malta	100	2006
Better Shipping Ltd	Malta	100	2008
Blank Shipping Ltd	Malta	100	2007
Blue Shipping Ltd	Malta	100	2006
Borak Shipping Ltd	Malta	100	2003
Bravo Shipping Ltd	Malta	100	2007
Buddy Shipping Ltd	Malta	100	2006
Bull Shipping Ltd	Malta	100	2006
Cake Shipping Ltd	Malta	100	2005
Capital Shipping Ltd	Malta	100	2008
Capital Maritime Ltd	Marshall Islands	100	2012
Cargo Shipping Ltd	Malta	100	2005
Carry Shipping Ltd	Malta	100	2004
Cash Shipping Ltd	Malta	100	2007
Center Shipping Ltd	Malta	100	2005
Center Navigation Ltd	Malta	100	2006
Citron Shipping Ltd	Malta	100	2005
Citrus Shipping Ltd	Malta	100	2005
City Shipping Ltd	Malta	100	2005
Clear Shipping Ltd	Malta	100	2005
Collection Shipping Ltd	Malta	100	2007
Cotton Shipping Ltd	Malta	100	2005

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

25 Group entities *(continued)*

Name	Country of Incorporation	Ownership interest (%)	Establishment date
Earth Shipping Ltd (*)	Malta	100	2007
Earth Maritime Ltd	Marshall Islands	100	2007
East Shipping Ltd	Malta	100	2008
East Shipping Ltd	Marshall Islands	100	2012
Enjoy Shipping Ltd	Malta	100	2007
Fantastic Shipping Ltd	Malta	100	2007
Flash Shipping Ltd	Malta	100	2007
Geden Holdings Ltd	Malta	100	2002
Geden Operations Ltd London	UK	100	2008
Happy Shipping Ltd	Malta	100	2008
Hero Shipping Ltd	Malta	100	2007
Marka Shipping Ltd	Malta	100	2007
Mek Shipping Ltd	Malta	100	2008
Metropol Shipping Ltd	Malta	100	2007
Metropol Shipping Ltd	Marshall Islands	100	2012
Moon Shipping Ltd (*)	Malta	100	2007
Namrun Shipping Ltd	Malta	100	2002
Nil Shipping Ltd	Malta	100	2006
Peak Shipping Ltd	Malta	100	2003
Pink Shipping Ltd	Malta	100	2006
Pipe Shipping Ltd (*)	Malta	100	2006
Pretty Shipping Ltd	Malta	100	2008
Prima Shipping Ltd	Malta	100	2007
Private Shipping Ltd (*)	Malta	100	2006
Profit Shipping Ltd	Malta	100	2006
Proud Shipping Ltd	Malta	100	2008
Punch Shipping Ltd	Malta	100	2006
Reef Shipping Ltd	Malta	100	2007
Ridge Shipping Co Ltd (*)	Malta	100	2004
Rock Shipping Ltd	Malta	100	2006
Rocket Shipping Ltd	Malta	100	2006
Rova Shipping Ltd	Malta	99.84	2003
Samsa Navigation Ltd (*)	Malta	100	2008
Scope Shipping Ltd	Malta	100	2004
Secret Shipping Ltd	Malta	100	2008
Secret Shipping Ltd	Marshall Islands	100	2012
Sharp Shipping Ltd	Malta	100	2008
Sharp Shipping Ltd	Marshall Islands	100	2012
Show Shipping Ltd	Malta	100	2004
Sinova Shipping Ltd	Malta	99.8	2003
South Shipping Ltd	Malta	100	2008
South Shipping Ltd	Marshall Islands	100	2012
Space Shipping Ltd	Malta	99.8	2004
Spice Shipping Ltd	Malta	99.84	2003
Spike Shipping Ltd	Malta	99.84	2003

(Amounts expressed in thousands of US Dollars ("USD") unless otherwise indicated)

25 Group entities *(continued)*

Name	Country of Incorporation	Ownership interest (%)	Establishment date
Spot Shipping Ltd	Malta	100	2007
Spring Marine Ltd	Malta	100	2007
Stock Shipping Ltd	Malta	100	2008
Super Shipping Ltd	Malta	100	2006
Target Shipping Ltd	Malta	100	2006
Tarsus Shipping Ltd	Malta	100	2002
True Shipping Ltd	Malta	100	2006
Truva Shipping Ltd (*)	Malta	99.8	2004
Ultra Shipping Ltd (*)	Malta	100	2008
Value Shipping Ltd	Malta	100	2007
West Shipping Ltd	Malta	100	2008
West Shipping Ltd	Marshall Islands	100	2012
Wind Maritime Ltd.	Malta	100	2007
Winter Shipping Ltd	Marshall Islands	100	2007
Wood Shipping Ltd (*)	Malta	100	2006
World Maritime Ltd	Marshall Islands	100	2008
World Shipping Ltd	Malta	100	2012
Zen Navigation Co Ltd	Malta	100	2005
Universal Maritime Inc.	Marshall Islands	100	2011

(*) The Group has liquidated its subsidiaries namely Best Shipping Ltd., Earth Shipping Ltd., Moon Shipping Ltd., Pipe Shipping Ltd., Private Shipping Ltd., Ridge Shipping Co. Ltd., Samsa Navigation Ltd., Truva Shipping Ltd., Ultra Shipping Ltd., Wood Shipping Ltd. in 2014.